

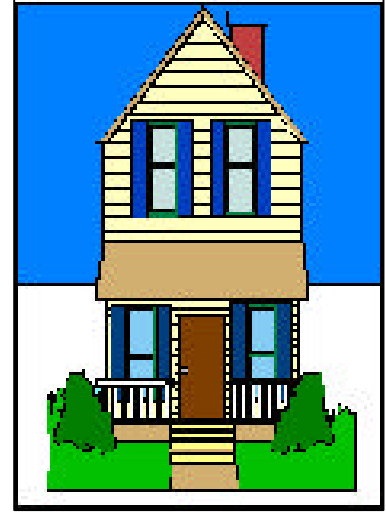
2005 Executive Proposed Budget

2005 TAX LEVY SUMMARY

Impact On Homeowners

The Waukesha County tax levy is comprised of two segments. The general County tax levy of \$84,919,831 is levied at a rate of \$2.11 (down from \$2.21) per \$1,000 of equalized value on all eligible property in the County. The Federated Library System levy of \$2,741,386 is levied at a rate of \$0.24 (down from \$0.26) per \$1,000 of taxable properties in communities without a library.

Because of varied assessment ratios to equalized values determined by the State Department of Revenue and inflationary property value changes, the tax bill impact on County's equalized tax rate of \$2.11 per \$1,000 of property value (down \$0.10 from the 2004 budget) will vary. Waukesha County's average home value, as indicated in the 2000 census and inflated, is \$235,300 in 2004, up from the 2003 value to reflect the County-wide average residential inflation rate of 7.58%. This results in a County tax increase of 2.8% or \$13.29 on a \$235,300 average home value, \$6.10 on a \$100,000 home, and \$15.24 on a \$250,000 home, as indicated below:



General County Tax Levy

2003 Value of Home	County Tax 2003	Residential Inflation	2004 Value of Home	County Tax 2004	County Tax Change	
					Amount	Percent
\$100,000	\$220.95	7.58%	\$107,600	\$227.05	\$6.10	2.8%
* \$218,700	\$483.22	7.58%	\$235,300	\$496.51	\$13.29	2.8%
\$250,000	\$552.38	7.58%	\$269,000	\$567.62	\$15.24	2.8%

* Average Waukesha County home value 2000 U.S. Census was \$182,900.

Homeowner County Taxes over 10 years Increase of About 1 1/4% per Year

<u>Budget Year</u>	<u>Average Home</u>	<u>Rate / \$1,000</u>	<u>Tax</u>
1996	\$152,945	\$2.89	\$442
2005	\$235,300	\$2.11	\$497
Net 10-Year Increase \$: \$55.00		10-Year Average: 1.24%	
Net 10-Year Increase %: 12.44%			

2005 Executive Proposed Budget

2005 BUDGET SUMMARY

	2004 Adopted Budget	2005 Executive Proposed	Incr/(Decr) From 2004 Adopted Budget	
			\$	%
OPERATING BUDGETS				
Gross Expenditures	\$208,705,759	\$224,471,032	\$15,765,273	7.55%
MEMO: Less Interdept. Charges (a)	<u>\$14,135,462</u>	<u>\$14,252,490</u>	<u>\$117,028</u>	
MEMO: Net Expenditures (a)	\$194,570,297	\$210,218,542	\$15,648,245	
Less: Revenues (Excl. Retained Earnings)	\$121,313,577	\$133,794,329	\$12,480,752	10.29%
Less Net Appropriated Fund Balance	<u>\$7,823,849</u>	<u>\$7,852,986</u>	<u>\$29,137</u>	
TAX LEVY -- OPERATING BUDGETS	\$79,568,333	\$82,823,717	\$3,255,384	4.09%
CAPITAL PROJECTS BUDGET				
Expenditures	\$28,344,370	\$29,727,500	\$1,383,130	4.88%
Less: Revenues	\$17,330,468	\$19,035,000	\$1,704,532	9.84%
Less: Appropriated Fund Balance	<u>\$6,260,570</u>	<u>\$5,855,000</u>	<u>(\$405,570)</u>	
TAX LEVY-CAPITAL PROJECTS BUDGET	\$4,753,332	\$4,837,500	\$84,168	1.77%
COUNTY TOTALS				
Expenditures	\$237,050,129	\$254,198,532	\$17,148,403	7.23%
Less: Revenues	\$138,644,045	\$152,829,329	\$14,185,284	10.23%
Less: Appropriated Fund Balance	<u>\$14,084,419</u>	<u>\$13,707,986</u>	<u>(\$376,433)</u>	
County Tax Levy				
General & Library (Excl Shared Svcs.) (b)	\$82,182,705	\$84,083,624	\$1,900,919	2.31%
Shared Services Exemption (b)	\$2,138,960	\$3,577,593	\$1,438,633	

(a) Net operating expenditure budget after eliminating interdepartmental chargeback transactions (mostly from internal service fund operations) which in effect result in double budgeting.

(b) The 2004 Levy amount is restated to reflect the Communication Center (Public Works) levy of \$1,759,482 is combined with the Sheriff Communication Center program levy of \$379,478 into the new Emergency Preparedness Department.

	2004 Adopted Budget	2005 Executive Proposed	Incr/(Decr) From 2004 Adopted Budget	
			\$	%
General County Tax Levy	\$81,552,478	\$84,919,831	\$3,367,353	4.13%
General County Tax Rate	\$2.2095	\$2.1101	(\$0.0993)	-4.50%
General County Equalized Value	\$36,910,435,050	\$40,244,065,050	\$3,333,630,000	9.03%
Federated Library Tax Levy	\$2,769,187	\$2,741,386	(\$27,801)	-1.00%
Federated Library Tax Rate	\$0.2629	\$0.2354	(\$0.0275)	-10.44%
Federated Library Equalized Value	\$10,533,032,800	\$11,643,340,500	\$1,110,307,700	10.54%

2005 Executive Proposed Budget

2005 Budget Increases

Total Expenditures

The 2005 budget expenditure level increases 7.2% or \$17.1 million to \$254.2 million. Over 60% of the increase in expenditure is due to the transfer of HHS program responsibilities from the State to the County. **Expenditure increases of \$2.3 million (about 1%) relate to costs to continue.** The narrative and chart below summarize the major increases in 2005 budget expenses.

Human Services Program Transfers/Pass Through Funding

State Health and Family Service program responsibilities and related funding of nearly \$10.8 million is shifted to the County budget in 2005. These specifically include \$4.8 million to provide intensive and post-intensive treatment services for Autistic youth, \$3.7 million to provide for the care of disabled individuals at Intermediate Care Facilities, and \$2.1 million for partially funded long term care waiver funded placements. Additionally, the Human Services budget increases an additional \$240,000 directly related to State pass through of dollars for local programs.

The trend toward increased State reliance on the County to administer social service programs would make it difficult to comply with any expenditure limits proposed by State officials.

Jail Expansion

Expenses increase \$1.6 million for partial year Jail expansion costs in 2005. This includes the creation of 4.0 FTE Public Works and 24.0 FTE Sheriff Department positions. The new 278 bed jail is expected to open October 2005.

Communication Center - Shared Service

Expenditures and tax levy increase \$1.1 million to provide full year funding of the Communication Center. An additional \$200,000 of tax levy is necessary to replace municipal contracts between the Sheriff dispatch operations and certain County municipalities. These services are now available to all County municipalities from the County's Communications Center and fully funded with County tax levy.

Capital

Capital project budget expenditures for the first year of the plan is at \$29.7 million, an increase of \$1.4 million from the 2004 budget, which is mainly funded by nearly \$1.2 million of new federal grant revenues available for specific projects.

2005 Budget Increases/(Decreases) (\$ in Millions)

	<u>Expenditures</u>	<u>Revenues</u>	<u>Fund Balance</u>	<u>Tax Levy</u>
Continuous Operating Budget Net Increases	\$2.3	\$1.7	(\$0.6)	\$1.2
<u>Health and Human Services</u>				
Autism Program	\$4.8	\$5.2	\$0.0	(\$0.4)
Intermediate Care Facility	\$3.7	\$3.7	\$0.0	\$0.0
Long Term Care Waiver Slots	\$2.1	\$1.9	\$0.2	\$0.0
Other HHS State Pass-through programs	<u>\$0.2</u>	<u>\$0.2</u>	<u>\$0.0</u>	<u>\$0.0</u>
Subtotal HHS	\$10.8	\$11.0	\$0.2	(\$0.4)
Jail Expansion - Sheriff & P.W.-Facilities	\$1.6	\$0.0	\$0.4	\$1.2
Communication Center	\$1.1	(\$0.2)	\$0.0	\$1.3
Capital Project Increases	<u>\$1.4</u>	<u>\$1.7</u>	<u>(\$0.4)</u>	<u>\$0.1</u>
Total Increases/(Decreases)	\$17.2	\$14.2	(\$0.4)	\$3.4
2004 Adopted Budget	\$237.0	\$138.6	\$14.1	\$84.3
2005 Executive Proposed Budget	\$254.2	\$152.8	\$13.7	\$87.7

2005 Executive Proposed Budget

2005 BUDGET SUMMARY BY AGENCY BY FUNCTIONAL AREA

AGENCY NAME	2005 EXECUTIVE PROPOSED				Tax Levy \$ Change '04 - '05	Tax Levy % Change '04 - '05
	EXPEND.	REVENUES	FUND ADJUST.	TAX LEVY		
JUSTICE AND PUBLIC SAFETY						
EMERGENCY PREPAREDNESS						
General	\$4,343,115	\$150,470	\$477,610	\$3,715,035	\$1,508,633	68.38%
Radio Services	\$1,208,450 (a)	\$1,415,983	(\$207,533)	\$0	\$0	0.00%
Radio Svcs. Rtnd. Earn.	\$0	(\$207,533)	\$207,533	\$0	\$0	0.00%
Radio Svcs. Fund Bal. Appr.	\$0	(\$314,212)	\$314,212	\$0	\$0	0.00%
DISTRICT ATTORNEY	\$2,161,214	\$608,343	\$0	\$1,552,871	\$10,000	0.65%
CIRCUIT COURT SERVICES	\$8,452,616	\$4,235,000	\$0	\$4,217,616	\$105,364	2.56%
MEDICAL EXAMINER	\$1,097,226	\$247,030	\$0	\$850,196	\$20,000	2.41%
SHERIFF	<u>\$28,511,085</u>	<u>\$7,204,920</u>	<u>\$407,519</u>	<u>\$20,898,646</u>	<u>\$1,615,000</u>	<u>8.37%</u>
Subtotal: Justice & Pub Safety	\$45,773,706	\$13,340,001	\$1,199,341	\$31,234,364	\$3,258,997	11.65%
HEALTH AND HUMAN SERVICES						
COUNTY EXECUTIVE						
Com Develop Block Grant	\$4,730,000	\$4,730,000	\$0	\$0	\$0	0.00%
CORPORATION COUNSEL						
Child Support	\$2,158,473	\$1,890,893	\$99,528	\$168,052	\$35,000	26.31%
SENIOR SERVICES						
General	\$2,267,948	\$1,002,177	\$0	\$1,265,771	\$47,419	3.89%
Elderly Nutrition	\$1,144,816	\$962,754	\$6,475	\$175,587	(\$12,419)	-6.61%
HEALTH & HUMAN SERVICES						
Public Health	\$3,095,981	\$1,029,503	\$0	\$2,066,478	\$44,638	2.21%
Human Services	\$39,624,932	\$27,084,009	\$455,650	\$12,085,273	\$292,153	2.48%
Long Term Care	\$37,096,185	\$35,114,134	\$200,000	\$1,782,051	(\$17,710)	-0.98%
Mental Health Center	\$4,715,322	\$2,044,300	\$0	\$2,671,022	\$322,026	13.71%
VETERANS' SERVICES	<u>\$249,204</u>	<u>\$13,000</u>	<u>\$0</u>	<u>\$236,204</u>	<u>\$2,000</u>	<u>0.85%</u>
Subtotal: HHS	\$95,082,861	\$73,870,770	\$761,653	\$20,450,438	\$713,107	4.97%
PARKS, ENVIR, EDUCATION & LAND USE						
REGISTER OF DEEDS	\$1,872,408	\$3,007,982	\$0	(\$1,135,574)	(\$226,992)	24.98%
UW-EXT: EDUCATION	\$316,988	\$2,857	\$0	\$314,131	\$1,466	0.47%
FEDERATED LIBRARY						
County	\$2,741,386	\$0	\$0	\$2,741,386	(\$27,801)	-1.00%
State Aids	\$1,114,507	\$1,114,507	\$0	\$0	\$0	0.00%
PARKS & LAND USE						
General	\$11,230,710	\$4,302,978	\$369,780	\$6,557,952	\$64,955	1.00%
Land Information Systems	\$560,521	\$560,521	\$0	\$0	\$0	0.00%
Tarmann Fund	\$1,500,000	\$800,000	\$700,000	\$0	\$0	0.00%
Golf Courses	\$3,228,068 (a)	\$3,375,000	(\$146,932)	\$0	\$0	0.00%
Golf Course Rtnd. Earnings	\$0	(\$146,932)	\$146,932	\$0	\$0	0.00%
Ice Arenas	\$1,070,034 (a)	\$1,070,500	(\$466)	\$0	\$0	0.00%
Ice Arenas Rtnd. Earnings	\$0	(\$466)	\$466	\$0	\$0	0.00%
Material Recovery Facility	\$1,877,840 (a)	\$2,440,000	(\$562,160)	\$0	\$0	0.00%
MRF Retained Earnings	\$0	(\$562,160)	\$562,160	\$0	\$0	0.00%
MRF Fund Bal. Appr.	<u>\$0</u>	<u>(\$650,000)</u>	<u>\$650,000</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
Subtotal: Parks	\$25,512,462	\$15,314,787	\$1,719,780	\$8,477,895	(\$188,372)	-2.17%

2005 Executive Proposed Budget

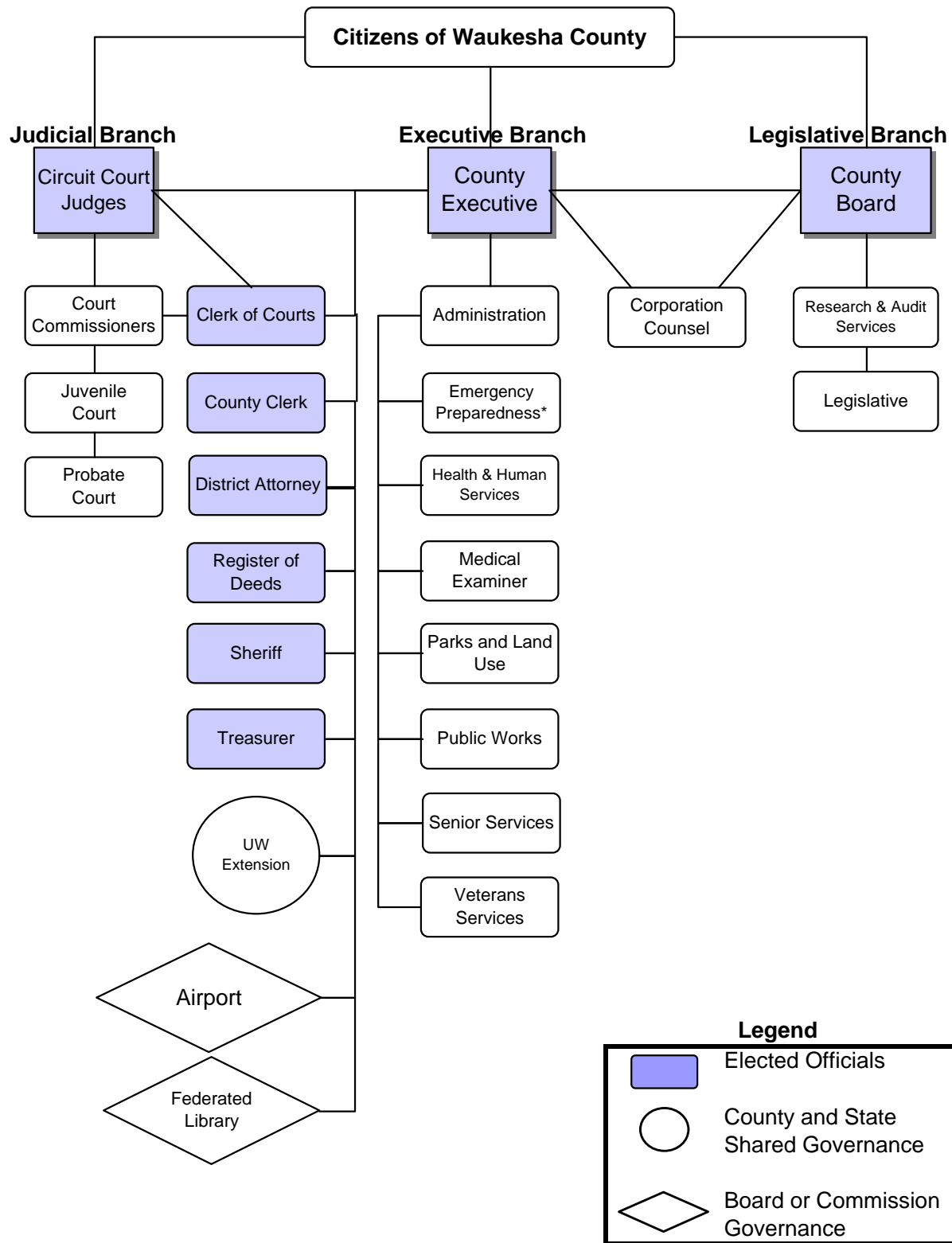
2005 BUDGET SUMMARY BY AGENCY BY FUNCTIONAL AREA

AGENCY NAME	2005 EXECUTIVE PROPOSED				Tax Levy \$ Change '04 - '05	Tax Levy % Change '04 - '05
	EXPEND.	REVENUES	FUND ADJUST.	TAX LEVY		
PUBLIC WORKS						
PUBLIC WORKS						
Public Works	\$9,138,476	\$1,457,867	\$351,500	\$7,329,109	\$559,304	8.26%
Transportation Fund	\$9,054,952	\$7,789,654	\$0	\$1,265,298	\$19,736	1.58%
Central Fleet Maintenance	\$2,832,890	\$2,833,293	(\$403)	\$0	\$0	0.00%
Central Fleet Rtn'd. Earnings	\$0	(\$403)	\$403	\$0	\$0	0.00%
Central Fleet Fund Bal. Appr.	\$0	(\$101,083)	\$101,083	\$0	\$0	0.00%
VEHICLE/EQUIP REPL.	\$1,996,751 (a)	\$2,065,800	(\$69,049)	\$0	\$0	0.00%
Veh. Replace Rtn'd. Earnings	\$0	(\$69,049)	\$69,049	\$0	\$0	0.00%
AIRPORT DEVELOPMENT	<u>\$1,030,762</u>	<u>\$635,332</u>	<u>\$193,977</u>	<u>\$201,453</u>	<u>(\$70,000)</u>	-25.79%
Subtotal: Public Works	\$24,053,831	\$14,611,411	\$646,560	\$8,795,860	\$509,040	6.14%
GENERAL ADMINISTRATION						
COUNTY EXECUTIVE						
General	\$518,354	\$10,500	\$0	\$507,854	\$11,740	2.37%
COUNTY BOARD	\$1,332,291	\$0	\$0	\$1,332,291	\$30,809	2.37%
COUNTY CLERK	\$456,366	\$156,620	\$0	\$299,746	(\$65,400)	-17.91%
TREASURER	\$687,941	\$7,336,099	\$0	(\$6,648,158)	(\$210,000)	3.26%
ADMINISTRATION						
General	\$6,595,388	\$1,026,970	\$0	\$5,568,418	\$53,564	0.97%
Risk Management	\$2,033,748 (a)	\$1,632,300	\$401,448	\$0	\$0	0.00%
Collections	\$688,051	\$688,051	\$95,000	(\$95,000)	(\$20,000)	26.67%
Collections Fund Bal. Appr.	\$0	(\$44,275)	\$44,275	\$0	\$0	0.00%
Communications	\$767,113 (a)	\$792,475	(\$25,362)	\$0	\$0	0.00%
Communications Rtn'd. Earn	\$0	(\$25,362)	\$25,362	\$0	\$0	0.00%
Communication Fund Bal. Appr.	\$0	\$0	\$0	\$0	\$0	0.00%
Records Management	\$1,285,610 (a)	\$1,285,610	\$0	\$0	\$0	0.00%
CORPORATION COUNSEL						
General	<u>\$1,285,596</u>	<u>\$391,024</u>	<u>\$0</u>	<u>\$894,572</u>	<u>\$10,000</u>	1.13%
Subtotal: General Admin.	\$15,650,458	\$13,250,012	\$540,723	\$1,859,723	(\$189,287)	-9.24%
NON-DEPARTMENTAL						
GENERAL	\$1,779,050	\$969,080	\$237,200	\$572,770	(\$81,080)	-12.40%
Gen. F.B. Tax Incr. Dist.	\$0	\$0	\$153,420	(\$153,420)	\$81,080	-34.58%
END USER TECHNOLOGY	\$3,182,413 (a)	\$2,438,268	\$444,309	\$299,836	(\$299,164)	-49.94%
CONTINGENCY	<u>\$1,350,000</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$350,000</u>	<u>\$0</u>	0.00%
Subtotal: Non-Depart.	\$6,311,463	\$3,407,348	\$1,834,929	\$1,069,186	(\$299,164)	-21.86%
DEBT SERVICE--GEN'L	<u>\$12,086,251</u>	<u>\$0</u>	<u>\$1,150,000</u>	<u>\$10,936,251</u>	<u>(\$548,937)</u>	-4.78%
Subtotal: Oper. Bud.	\$224,471,032	\$133,794,329	\$7,852,986	\$82,823,717	\$3,255,384	4.09%
CAPITAL PROJECTS	<u>\$29,727,500</u>	<u>\$19,035,000</u>	<u>\$5,855,000</u>	<u>\$4,837,500</u>	<u>\$84,168</u>	1.77%
GRAND TOTAL	<u>\$254,198,532</u>	<u>\$152,829,329</u>	<u>\$13,707,986</u>	<u>\$87,661,217</u>	<u>\$3,339,552</u>	3.96%

(a) Proprietary fund (Internal Service and Enterprise funds) expenditure appropriations exclude Fixed Asset and Debt Service Principal payments to conform with generally accepted accounting standards. Fixed asset purchases and Debt Principal payments will be funded by operating revenues, tax levy, or balance appropriations and are included, as applicable, in each agency budget request.

2005 Executive Proposed Budget

Waukesha County Organizational Chart



* Effective July 1, 2005

2005 Executive Proposed Budget

2005 BUDGET ASSUMPTIONS

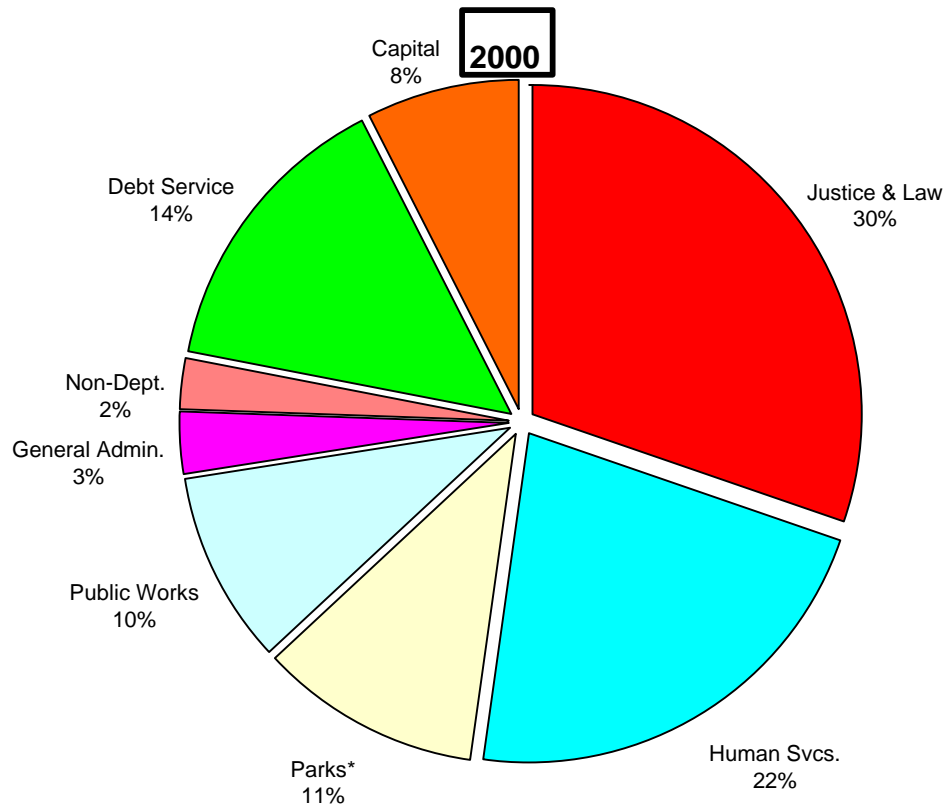
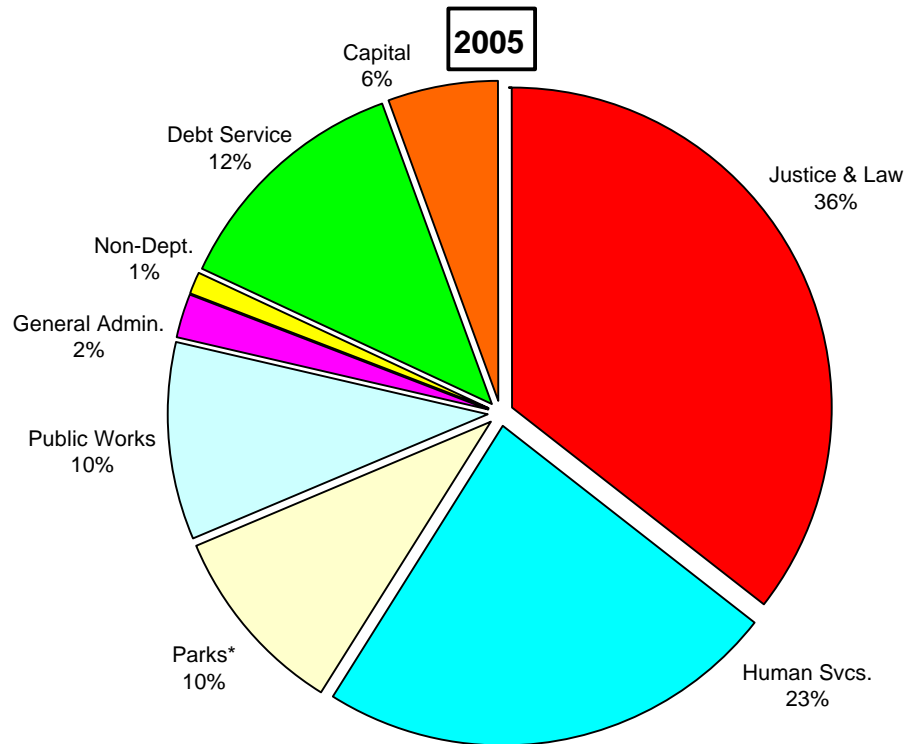
Certain broad assumptions are determined which establish a basic foundation for building a budget. These general assumptions provide a framework to County staff, the County Executive and the County Board of Supervisors for setting priorities, determining service levels and allocating limited financial resources.

The following general assumptions are used in guiding the development of the County's 2005 budget.

- Overall inflation factor estimated for costs to continue existing services is projected for 2005 at a range from 1.8% to 2.8% depending upon the particular service or commodity. The major exceptions include cost increases for energy, health insurance, prescription drugs and contributions to the Wisconsin Retirement system for protective service employees.
- The County Executive established as a goal for his proposed budget to manage a levy rate decrease, and a general tax levy increase limited to the new construction value growth in the county for 2004 which is 2.36%, excluding the levy required for the new shared dispatch services Communication Center operations and the countywide Hazardous Materials Response Contract. The new Communication Center operations requires full year levy funding of \$3,437,593 which is \$1,298,633 above the base 2004 budgeted levy amount and the Hazardous Materials Contract adds \$140,000 to last year's total general tax levy.
- Within the 2.36% target, the 2005 budget also includes a \$1.2 million general levy increase for a partial year impact of the County Jail expansion. This includes a partial year impact of \$880,000 for Sheriff daily operations and \$315,000 for Public Works utilities and maintenance costs assuming an October, 2005 opening.
- A 6% average health insurance premium increase and a 5% increase in Wisconsin Retirement contributions make a 2.36% levy increase goal challenging.
- The proposed budget decreases the tax levy rate for the 15th consecutive year as a combination of limiting discretionary expenditures and tax base increase of 9.03% results in a ten cent decrease in the levy rate from \$2.21 to \$2.11 per \$1,000 of property value. The general County tax levy increases about \$1.9 million, excluding the additional tax levy needed for shared services (Communication Center dispatch operations and countywide Hazardous Material Response Contract), as allowed by the 2003 State legislative proposed levy freeze.
- Due to the State's fiscal crisis, the County anticipated State funding reductions and caps on grant funded mandates, which will have to be absorbed. State shared revenue for mandate relief was eliminated in 2004.
- The largest state discretionary funding source, Basic County Allocation (BCA) of \$ 11.4 million to Health and Human Service programs, will provide no increase to offset higher costs to continue existing service levels, which will result in a tax levy need of over \$600,000. The State Court Support Grant is not expected to increase, resulting in additional levy need of over \$100,000 to run the State Circuit Court system.
- Register of Deeds charges for service revenues increase \$321,700 based on estimated trends of recording volume and property value increases. Revenues generated in excess of associated operating expenditures are estimated to increase \$227,000 from 2004. This increase is used to reduce general government tax levy funding requirements.
- An increase in Investment income of \$100,000 is estimated for 2005 based upon two increases to the Federal Funds rate and expectations of further increases.
- Debt borrowing costs are estimated to be about 5% on \$14.4 million planned (based on the capital plan) ten year 2005 issue. The levy effort to fund the Capital budget will be slightly lower at 24.4% at \$4.8 million, however, fund balance appropriations of \$5.85 million are to be applied. Due to prepayment of the 1997 note in early 2004, the Debt Service budget requirement is estimated to be reduced by \$545,000.
- The End User Technology Support fund continues to cover the total cost of personnel computer ownership including e-government web-based initiatives, network infrastructure equipment and support costs. Charges back to end user departments has been phased in beginning in 2001 (currently at 71% of full cost going to 76% of full cost in 2005). The Departments impact to their budget target was limited to no greater than 3% more than their 2004 End User charge.
- Energy costs are estimated to rise faster than the rate of inflation. Natural gas to heat county facilities is expected to increase 10% and electricity is projected to rise by 5% to 7% resulting in higher budget costs of over \$100,000

2005 Executive Proposed Budget

TAX LEVY BY FUNCTIONAL AREA



*Includes Parks, Environment , Education and Land Use

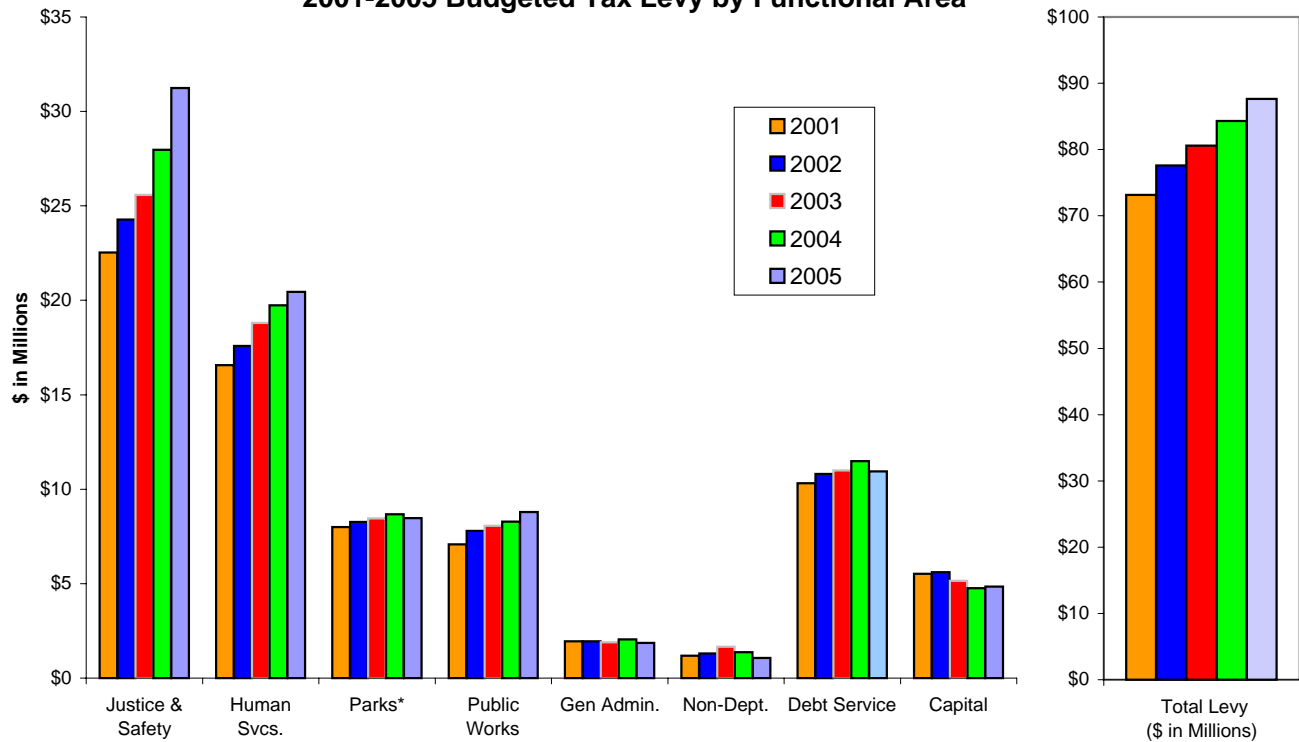
2005 Executive Proposed Budget

2004-2005 TAX LEVY BY FUNCTION (COMBINES ALL FUNDS)

BY FUNCTION	2004 Adopted Budget	2005 Budget	Incr/(Decr) From 2004 Adopted Budget	
			\$	%
Justice & Public Safety *	\$27,975,367	\$31,234,364	\$3,258,997	11.65%
Health & Human Services *	\$19,737,331	\$20,450,438	\$713,107	3.61%
Parks, Env., Educ. & Land Use	\$8,666,267	\$8,477,895	(\$188,372)	-2.17%
Public Works *	\$8,286,820	\$8,795,860	\$509,040	6.14%
General Administration	\$2,049,010	\$1,859,723	(\$189,287)	-9.24%
Non-Departmental *	\$1,368,350	\$1,069,186	(\$299,164)	-21.86%
Debt Service	\$11,485,188	\$10,936,251	(\$548,937)	-4.78%
Capital Projects	\$4,753,332	\$4,837,500	\$84,168	1.77%
Total Tax Levy	\$84,321,665	\$87,661,217	\$3,339,552	3.96%
Less Federated Library Tax	\$2,769,187	\$2,741,386	(\$27,801)	-1.00%
COUNTY TAX LEVY	\$81,552,478	\$84,919,831	\$3,367,353	4.13%

* The 2004 Adopted Budget has been restated for comparative purposes

2001-2005 Budgeted Tax Levy by Functional Area



* Includes Parks, Environment, Education and Land Use

2005 Executive Proposed Budget

2003 - 2005 EXPENDITURE SUMMARY

APPROPRIATION UNIT	2003 Actual	2004 Adopted Budget	2004 Estimate (b)	2005 Proposed Budget	Incr/(Decr) From 2004 Adpt. Budget
Personnel Costs	\$85,320,740	\$91,651,264	\$90,281,770	\$96,427,185	\$4,775,921
Operating Expenses	\$83,055,484	\$88,290,440	\$92,130,555	\$99,120,246	\$10,829,806
Interdepartmental Charges	\$13,250,291	\$14,135,462	\$14,075,047	\$14,252,490	\$117,028
Fixed Assets & Imprvmnts (a)	\$1,320,107	\$1,743,405	\$2,099,167	\$2,584,860	\$841,455
Debt Service-Excl Proprietary (a)	\$12,053,384	\$12,885,188	\$15,240,551	\$12,086,251	(\$798,937)
Capital Projects	\$24,999,412	\$28,344,370	\$28,344,370	\$29,727,500	\$1,383,130
Total Gross Expenditures	\$219,999,418	\$237,050,129	\$242,171,460	\$254,198,532	\$17,148,403

BY FUNCTIONAL AREA	2003 Actual	2004 Adopted Budget	2004 Estimate (b)	2005 Proposed Budget	Incr/(Decr) From 2004 Adpt. Budget
Justice & Public Safety	\$38,135,199	\$41,698,103	\$41,786,572	\$45,773,706	\$4,075,603
Health & Human Services	\$79,564,068	\$83,040,485	\$87,352,571	\$95,082,861	\$12,042,376
Parks, Env., Educ. & Land Use	\$23,704,920	\$25,212,252	\$25,153,158	\$25,512,462	\$300,210
Public Works	\$23,546,309	\$23,013,426	\$23,058,952	\$24,053,831	\$1,040,405
General Administration	\$13,739,700	\$15,765,840	\$15,367,781	\$15,650,458	(\$115,382)
Non-Departmental	\$4,256,426	\$7,090,465	\$5,867,505	\$6,311,463	(\$779,002)
Debt Service-Excl Proprietary	\$12,053,384	\$12,885,188	\$15,240,551	\$12,086,251	(\$798,937)
Capital Projects	\$24,999,412	\$28,344,370	\$28,344,370	\$29,727,500	\$1,383,130
Total Gross Expenditures	\$219,999,418	\$237,050,129	\$242,171,460	\$254,198,532	\$17,148,403

(a) Proprietary fund (Internal Service and Enterprise funds) expenditure appropriations exclude Fixed Asset and Debt Service Principal Payments to conform with generally accepted accounting standards. Fixed Asset purchases and Debt Principal payments will be funded by operating revenues, tax levy or fund balance appropriations and are included, as applicable, in each agency budget request.

(b) Estimated expenditures exceed budget due to prior year appropriations carried forward and expended in current year and/or other budget modifications approved by County Board ordinance or fund transfer.

2005 Executive Proposed Budget

2005 EXPENDITURE HIGHLIGHTS

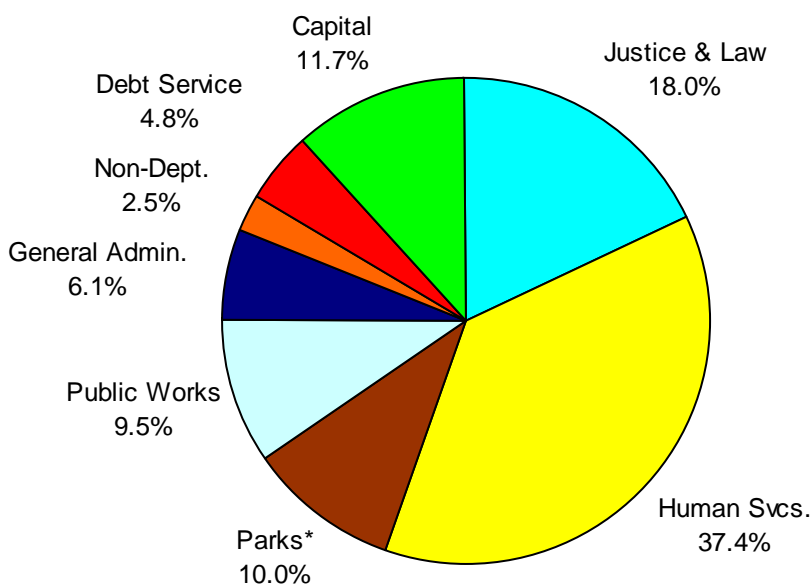
Expenditure Budget:

The 2005 total gross expenditure budget is \$254,198,532, an increase of \$17.1 million or 7.2% from the 2004 adopted budget. Budget appropriations consist of departmental operating expenditures of \$224,471,032 and capital spending of \$29,727,500. The operating budget increases by \$15,765,273 from last year's operating budget while capital project expenditures increase by \$1,383,130 from the 2004 adopted budget. The net total expenditure budget after adjustment for \$14,252,490 interdepartmental charge backs, mainly from Internal Service Funds (which are double budgeted), is \$239,946,042. The net operating expenditure budget totals \$210,218,542 after subtracting capital spending.

The adopted budget includes personnel costs totaling \$96.4 million or 43% of the operating budget. Overall employee costs increased about \$4.8 million, or 5.2% from the 2004 adopted budget.

Operating expenditures (including operating expenses, purchased services, and interdepartmental charges appropriation units) increase from \$102.4 million in 2004 to \$113.4 million in 2005, an increase of \$10.9 million. Operating, expenses represent about 50.5% of the operating budget. Fixed assets and improvements expenditures are budgeted at \$2.6 million. Debt service payments are budgeted at \$12.1 million.

2005 Expenditures as a Percent of Total



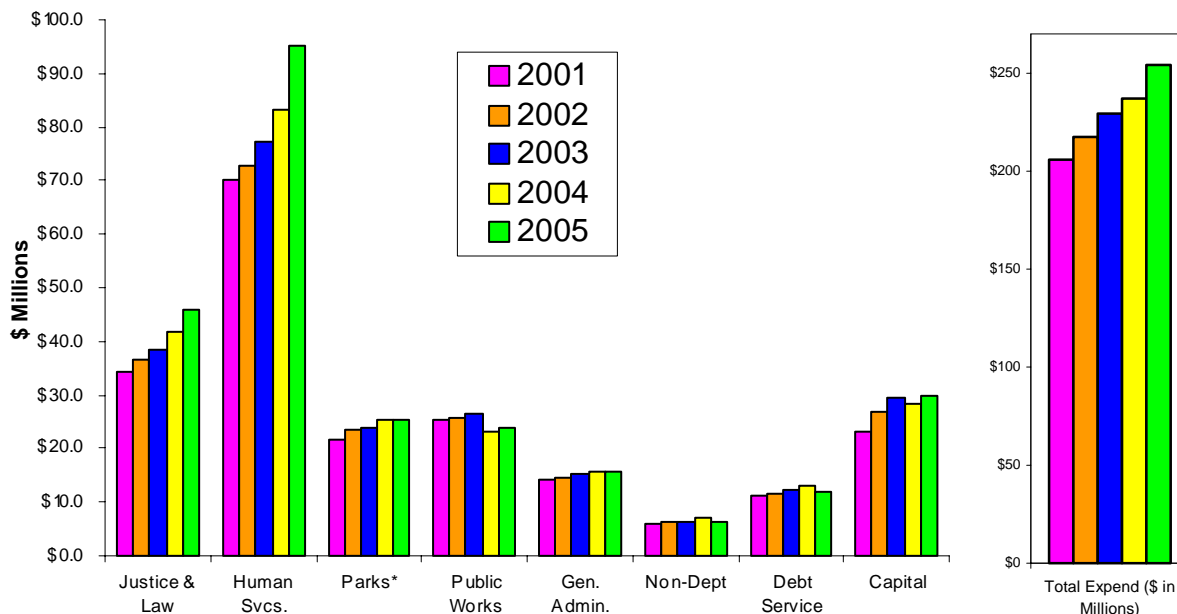
*Includes Parks, Environment, Education and Land Use

As shown above, the 2005 Functional Area expenditures are broken down as follows; Human Services activities represent 37.4% of county expenditures increasing \$12.0 million or 14.5% over 2004 budgeted levels; Justice and Public Safety activities represent 18.0% of total expenses and increase \$4.0 million or 9.8%; Public Works represents 9.5% of total expenses and increases \$1.0 million or 4.5%; Parks, Environment, Education and Land Use expenditures represent 10.0% of total and increase \$300,200 or 1.2%; General Administration is 6.1% of expenditures and decreases \$115,400 or 0.7%; Non-Departmental is 2.5% of expenditures and decreases \$779,000 or 11.0%; Capital expenditures total 11.7% of county expenditures and increase \$1.4 million or 4.8%; Debt Service represents 4.8% of total expenditures and decreases \$799,000 or 6.2%.

2005 Executive Proposed Budget

2005 EXPENDITURE HIGHLIGHTS

Budgeted Expenditures by Functional Area 2001 – 2005



Includes Parks, Environment, Education and Land Use

The graph above depicts expenditure trend data over the past five years. The 2005 budget expenditure level increases 7.2% or \$17.1 million to \$254.2 million. Over 60% of the increase in expenditure is due to the transfer of HHS program responsibilities from the State to the County. **Expenditure increases of \$2.3 million (about 1%) relate to costs to continue**

Detailed expenditure highlights are included within each Functional Area Summary. A summary of major funding and policy changes, which impact expenditures by functional area, follows:

Justice and Public Safety

- Creation of the **Emergency Preparedness (EP) department** as of July 01, 2005. This department will combine the Waukesha Communication Center operations, Emergency Management operations, and Radio Service communication operations. A Department Head position will be created, with a manager position abolished for a zero net position increase.
- Second year operations (first full year budget) for the **EP - Communications Center** includes an expenditure budget of \$3.9 million, supporting operations including 45 authorized employees to provide dispatch services for 29 municipalities and county departments.
- The **EP-Emergency Management** division expenditures include \$140,000 for the Countywide Hazardous Materials Response Team annual contract with the City of Waukesha and \$70,000 for Business Continuity costs (these expenditures are shifted from the 2004 Non-Departmental Budget).
- The **Sheriff** department is budgeting for 24 new positions to be created and funding three positions unfunded in prior budget years as the **Jail Expansion** is planned to be operational as of October 2005 for expanded and recommended segregate inmate housing.
- The **Sheriff** Department's 2005 budget for out of county prisoner placement and transport costs continues the 2004 level of \$100,000 and includes a one-time increase of \$164,000 as more inmates may need to be housed out of county as the Justice Addition is renovated to shift Central Control operations to the Justice Expansion building.

2005 Executive Proposed Budget

2005 EXPENDITURE HIGHLIGHTS

Health and Human Services

- Department of **Health and Human Services – Autism Waiver Services** program, created in 2004 through separate ordinance, increases 2005 budgeted expenditures by \$4.8 million. The department is the responsible agency for the coordination of intensive and post intensive autism services. The 2005 budget includes appropriations to serve approximately 193 children.
- A major funding priority area for the state is the **Health and Human Services - Long-Term Care Division** 2005 expenditure appropriations budget, which increases \$5.8 million. Much of the increase is associated with a \$3.7 million increase related to a state law change that requires counties to be responsible for clients that currently reside at an **Intermediate Care Facility (ICFMR)**.
- The remaining \$2.1 million increase in Long Term Care expenditures primarily relates to waiver funding of \$1.9 million and which provides for a net 13,000 increase in waiver funded days of care.
- The Criminal Justice Collaborating Council (continues to carry out analysis/special studies and to recommend and implement comprehensive changes aimed at controlling jail inmate population growth. The Council is provided with budget appropriations totaling \$459,144 and total county tax levy funding of \$440,913 (an increase of \$50,000) to address front end and aftercare monitoring services to help reduce recidivism.
- To deal with the fiscal pressures in mandated programs, the 2005 **Human Services** budget includes reductions in certain non-core, non-mandated Human Services program areas. These reductions include **decreasing a full time social worker position** to part-time resulting in about 1,000 less hours of intake and assessment services, which will decrease prevention and early intervention assessment activities during high referral periods. The estimated levy savings of \$32,500 is shifted to other human service mandate areas.
- The **Human Services-Long Term Care** budget includes a \$10,000 or about a 26% **reduction in the ARCh** contract for recreational/social program funding for clients with developmental disabilities.
- Human Services reductions include elimination of a **structured activities** contracted for by \$30,000 at the Juvenile Center for troubled youth. These are planned to be replaced by existing staff providing activities when possible.
- Human Services is also decreasing budgeted **prescription drug** expenditures of \$87,000 for psychotropic medications dispensed to individuals with mental illness who do not have ability to pay which is the result of current effective drug cost containment methods such as, fast track Medical assistance/Social Security Income application assistance and use of free samples, etc.
- In the face of escalating **Health and Human Services - Economic Support (ES)** caseloads and continued State Income Maintenance (IM) program expansions, County staff renegotiated the WDC lease resulting in lower budgeted expenditures of \$91,000. This lease will continue to allow for one-stop client services in the areas of W-2 (economic/work assistance) and those statutorily County provided services in the Medical Assistance, Food Stamps, and Child Care Subsidy areas.

Parks, Environment, Education and Land Use

- The **Register of Deeds** 2005 budget includes a first year funding for Optical Character Recognition (OCR) software license and support fees of \$15,000. Implementation of OCR is expected to speed processing of recorded documents.
- The **Parks and Land Use** budget includes the Exposition Center as a General Fund program, rather than an enterprise fund operation. The accounting change recognizes the fact that the facility serves as an important economic development tool but is unable to generate sufficient revenue to cover annual and long term operating costs such as capital improvements, maintenance and depreciation expenses.

2005 Executive Proposed Budget

2005 EXPENDITURE HIGHLIGHTS

Public Works

- **Public Works General Fund** operations includes the creation of 2.25 FTE positions for the opening of the expanded Jail facility in October 2005. This includes 2.0 FTE Maintenance Mechanic II's and 1.0 FTE Building Service Worker II starting July 1, 2005 and one Maintenance Mechanic III starting April 1, 2005 for total 2005 costs of \$109,000. Partial year utility costs are budgeted at \$178,000 and additional operating costs are included at \$28,000. One-time equipment costs of \$16,000 are funded with fund balance.
- Other position changes in the **Public Works Department Transportation Fund** include the abolishment of 2.0 FTE Patrol Worker and unfunding an additional 1.0 FTE Patrol worker due to declining State labor cost reimbursement for maintenance on State roads. This revenue is reduced over 5% or almost \$87,000. An additional 1.0 FTE Patrol Worker position is unfunded for County highway operations and Overtime is reduced as part of a reduction of \$36,000 in personnel costs to adjust to another year of no increase in State General transportation aids.
- On-going energy costs are budgeted to increase almost \$93,000 in Public Works operations overall with the largest increase for natural gas of \$58,000. Natural gas prices are expected to be unstable with the budget increasing 14%. Electricity is increasing \$35,000.
- The **Airport** operating budget includes a tax levy reduction of \$70,000 due to a favorable snow removal/grass cutting contract bid in 2004. The lack of land lease revenue growth and reduced hangar rental revenue of \$15,000 due to the soft economy is offset with strong growth in fuel flowage fees of \$17,000.

General Administration - Non-Departmental

- **DOA-Records Management** costs and related revenues decrease \$355,500 related to the discontinuation of the Print Services Division operations. The County departments will have direct interaction with contracted preferred print vendors eliminating the middleman concept, which results in cost savings to the departments. This change was necessitated by a decision to provide a more cost effective outsource printing solution
- General Fund Non-Departmental expenditures decrease \$580,000 due to the elimination of the one-time retiree health insurance subsidy in 2004.
- General Fund Non-Departmental expenditures decrease \$139,300 for the building capital expenditures grant to the Waukesha County Historical Society.

Capital Projects

The 2005 capital project expenditure budget of \$29.7 million increases \$1.3 million or 4.9% from the 2004 adopted budget. The 2005 capital budget identifies funding for existing and new projects at a net county cost of \$19.8 million (after revenues and fund balance appropriation totaling \$9.9 million are applied). For 2005, borrowed funds total \$14.4 million and investment income is at \$600,000. Project funding also includes \$4.8 million in county tax levy, an increase of \$84,168 from the 2004 budget

Debt Service

The Debt Service expenditure budget for general governmental purposes (excluding proprietary funds debt service payments which are funded from individual fund operating budgets) is \$12,086,251, a decrease of \$798,937 or 6.2% from the 2004 adopted budget. To fund the 2005 capital project's budget, \$14.4 million is planned to be borrowed increasing the County's total debt outstanding at \$85.9 million.

2005 Executive Proposed Budget

2003 - 2005 REVENUE SUMMARY

BY SOURCE	2003 Actual	2004 Adopted Budget	2004 Estimate	2005 Proposed Budget	Incr/(Decr) From 2004 Adpt. Budget
Intgov't Contracts & Grants	\$64,502,731	\$63,021,643	\$68,492,822	\$76,017,740	\$12,996,097
State Transportation Aids	\$5,593,644	\$5,502,765	\$5,502,765	\$5,352,765	(\$150,000)
St. Shared Revs/Mandate Relief	\$3,473,921	\$1,763,700	\$1,763,700	\$1,568,300	(\$195,400)
Fines & Licenses	\$3,618,086	\$2,778,445	\$2,816,755	\$2,913,505	\$135,060
Charges for Services (a)	\$25,499,937	\$23,656,494	\$23,531,052	\$24,311,168	\$654,674
Interdepartmental Revenue	\$13,598,917	\$13,870,852	\$14,023,588	\$14,360,934	\$490,082
Other Revenues	\$9,203,183	\$7,726,865	\$8,275,385	\$7,228,822	(\$498,043)
Interest/Penalty on Delinq Taxes	\$2,219,536	\$1,788,000	\$2,350,000	\$1,838,000	\$50,000
Investment Inc-Unrestricted Fnds	\$5,013,773	\$5,850,000	\$5,070,000	\$5,850,000	\$0
Debt Borrowing	\$13,500,000	\$14,000,000	\$14,000,000	\$14,400,000	\$400,000
Appropriated Fund Balance	(\$5,139,701)	\$14,084,419	\$13,514,922	\$13,707,986	(\$376,433)
Retained Earnings (b)	(\$1,694,168)	(\$1,314,719)	(\$1,491,194)	(\$1,011,905)	\$302,814
Tax Levy	\$80,609,559	\$84,321,665	\$84,321,665	\$87,661,217	\$3,339,552
Total Gross Revenues	\$219,999,418	\$237,050,129	\$242,171,460	\$254,198,532	\$17,148,403

BY FUNCTION	2003 Actual	2004 Adopted Budget	2004 Estimate	2005 Proposed Budget	Incr/(Decr) From 2004 Adpt. Budget
Justice & Public Safety	\$13,079,620	\$13,027,807	\$13,773,726	\$13,547,534	\$519,727
Health & Human Services	\$61,998,086	\$62,621,954	\$67,138,728	\$73,870,770	\$11,248,816
Parks, Env, Educ & Land Use (a)	\$19,182,811	\$16,067,034	\$16,921,932	\$16,024,345	(\$42,689)
Public Works	\$15,158,261	\$14,419,806	\$14,315,769	\$14,680,863	\$261,057
General Administration (a)	\$13,856,094	\$13,295,347	\$13,080,247	\$13,275,374	(\$19,973)
Non-Departmental	\$4,314,856	\$3,196,348	\$3,265,197	\$3,407,348	\$211,000
Capital Projects & Debt	\$5,134,000	\$3,330,468	\$3,330,468	\$4,635,000	\$1,304,532
Debt Borrowing	\$13,500,000	\$14,000,000	\$14,000,000	\$14,400,000	\$400,000
Appropriated Fund Balance	(\$5,139,701)	\$14,084,419	\$13,514,922	\$13,707,986	(\$376,433)
Retained Earnings (b)	(\$1,694,168)	(\$1,314,719)	(\$1,491,194)	(\$1,011,905)	\$302,814
Tax Levy	\$80,609,559	\$84,321,665	\$84,321,665	\$87,661,217	\$3,339,552
Total Gross Revenues	\$219,999,418	\$237,050,129	\$242,171,460	\$254,198,532	\$17,148,403

(a) Includes revenues from enterprise fund user fees which are estimated to result in retained earnings.

(b) Revenues in excess of expenditures from enterprise funds which are retained in the appropriate fund and not used to offset the overall County tax levy.

2005 Executive Proposed Budget

2005 REVENUE HIGHLIGHTS

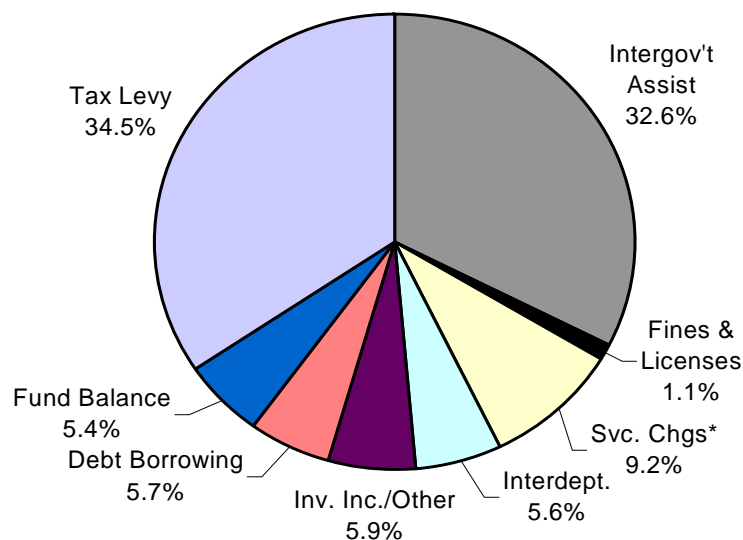
Revenue Budget:

The 2005 revenue budget (excluding property tax levy, fund balance appropriations and revenue generating proprietary fund retained earnings) totals \$152,829,329, an increase of \$14,185,284 or 10.2% from the 2004 adopted budget. The net revenue budget is \$138,468,395 after elimination of \$14,360,934 of interdepartmental revenues (mostly from internal service funds), which are in essence double-budgeted.

The 2005 revenues consist of departmental operating revenues budgeted at \$133,794,329 and capital project funding at \$19,035,000 including \$14,400,000 from planned borrowing. Overall, the operating revenues increase \$12,480,752 or 10.3% from the prior year budget. **The increase is primarily due to an \$11.1 million or a 21.0% increase in Intergovernmental Contracts and Grants revenue mainly consisting of a \$5.6 million in Human Services Long Term Care funding and \$5.5 million of Human Services Fund State Funding.**

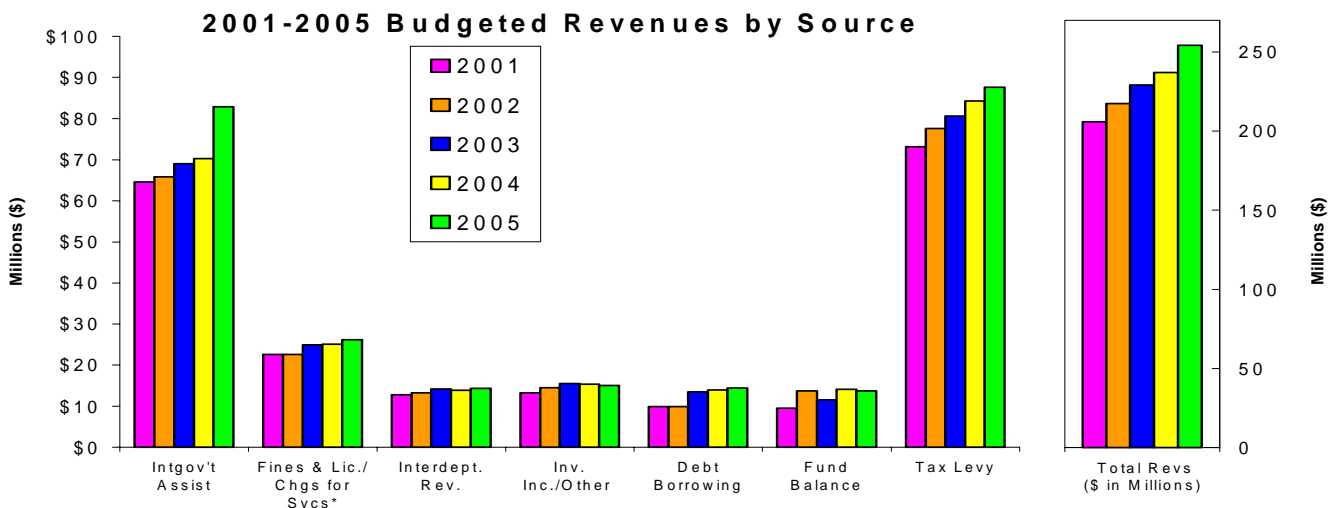
The graph below reflects the ratio of revenue sources budgeted for 2005 to all revenue sources, with Tax Levy of 34.5% and Intergovernmental Assistance of 32.6% as the major revenue components.

2005 Revenue Sources as a Percent of Total



* Excludes Retained Earnings

The graph below reflects the revenue budgeted from all sources for 2001-2005. Nearly all sources have shown annual increases during the five-year period.



*Excludes retained earnings.

Detailed revenue highlights are included within each functional area summary. A summary of highlights and major changes from the 2004 adopted revenue budget, by source, follows.

2005 Executive Proposed Budget

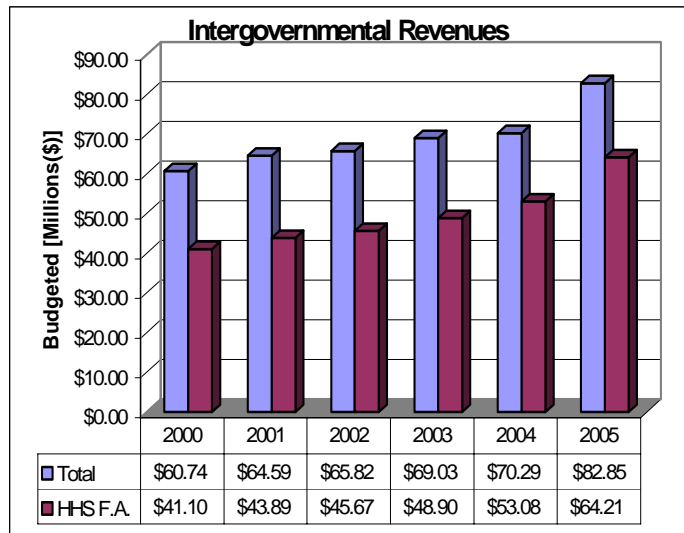
2005 REVENUE HIGHLIGHTS

The property tax levy is not considered revenue for purposes of this section. Similarly, fund balance appropriations are not considered revenues, but rather re-appropriation of prior years' tax levy funding used to reduce the amount of taxes that must be levied.

Intergovernmental Assistance:

Combined, total 2005 intergovernmental contracts, grants, state aids and state shared revenues are budgeted at \$82,938,805, representing an increase of approximately \$12,650,697 or 18.0% from the previous year's budget.

The Health and Human Services Functional Area (HHS F.A.) receives the majority of its funding from Federal / State intergovernmental assistance. The Health and Human Services Functional Area includes the Depts. of Health and Human Services, Senior Services, Veterans, Child Support, and Community Development Block Grant. Increase in annual funding is mainly from Federal funding for CDBG program assistance and Health and Social Services funding.



- **Health and Human Services – Autism Waiver Services** program, created in 2004 through separate ordinance, increases 2005 budgeted revenues by \$5.2 million. The department is the responsible agency for the coordination of intensive and post intensive autism services. The 2005 budget includes appropriations to serve approximately 193 children.
- **Health and Human Services - Long-Term Care Division** 2005 revenue budget increases \$3.7 million related to a state law change that requires counties to be responsible for clients that currently reside at an **Intermediate Care Facility (ICFMR)**. This state program change is predicated upon reducing the total clients in ICFMR placements annually in order to pay for annual inflationary increases or increases associated with serving new clients. However, based on Waukesha County demographics and past departmental focus on placement of individuals into the community, the department is uncertain if the level of attrition will be sufficient to cover costs of adding new ICFMR placements.
- **Long Term Care Division** revenues reflect an additional \$956,280 of Community Integration (CIP 1B) revenue available to fund services/clients that were previously funded 100% through Community Aids or tax levy. Expanded CIP funding increases placement options and allows tax levy to be reduced and shifted to match waiver services within the Developmental Disability area as well as within the CIP/COP program area.
- **Capital Project** funding increases \$1.4 million from 2004, mainly from Transportation related funding from a combination of State and local sources that increase \$1.32 million.

Charges for Services:

Charges for County services (user fees) are budgeted at \$24,311,168, which represents an increase of approximately \$654,700 or about 2.8% from the 2004 adopted budget.

User Fees are charges for specific government services to those who utilize those services. They provide an equitable, proportional method to continue service operations without charging the general population. User fees collected include fees for document recording and real estate transfer and public admission for recreation usage (PLE), health care and services (HHS), and inmate stays, contracted patrols, and judicial and public safety (JPS).

2005 REVENUE HIGHLIGHTS

- ### Charges for Service
-
- | | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|-------|--------|--------|--------|--------|---------|---------|
| Other | \$2.05 | \$2.08 | \$1.78 | \$1.86 | \$1.93 | \$1.39 |
| JPS | \$5.37 | \$5.48 | \$5.55 | \$6.42 | \$6.60 | \$7.39 |
| HHS | \$4.12 | \$4.97 | \$4.69 | \$5.16 | \$5.11 | \$5.10 |
| PLE | \$8.01 | \$8.57 | \$9.03 | \$9.70 | \$10.02 | \$10.43 |

Overall fine and license revenues total \$2,913,505 in 2005, an increase of more than \$135,100, or 4.9% from the 2004 adopted budget.

- Overall interdepartmental revenues total more than \$14,360,934, an increase of \$490,082 or 3.5% from the 2004 adopted budget.

- ### Interdepartmental Revenues
-
- | Year | Various Other Funds | Central Fleet Maintenance Fund | Vehicle Replacement Fund | Various General Fund | End User Technology Fund | Records Management Fund |
|------|---------------------|--------------------------------|--------------------------|----------------------|--------------------------|-------------------------|
| 2000 | \$3.80 | \$1.50 | \$1.50 | \$2.80 | \$0.50 | \$1.50 |
| 2001 | \$3.50 | \$2.00 | \$1.50 | \$3.20 | \$0.50 | \$1.50 |
| 2002 | \$4.00 | \$2.00 | \$1.50 | \$3.00 | \$1.00 | \$1.50 |
| 2003 | \$4.20 | \$2.00 | \$1.50 | \$3.20 | \$1.50 | \$1.50 |
| 2004 | \$3.00 | \$2.50 | \$1.50 | \$3.20 | \$2.00 | \$1.50 |
| 2005 | \$3.50 | \$2.50 | \$1.50 | \$3.20 | \$2.00 | \$1.50 |

2005 Executive Proposed Budget

2005 REVENUE HIGHLIGHTS

• **Other Revenues (Excludes fund balance appropriations):**

(Note: Other Revenues described here exclude fund balance appropriations. However, the Other Revenues identified in the Agency and Organization Summary detail include surplus unreserved fund balance appropriated to reduce the amount of taxes levied.)

Revenues from other sources in the 2005 budget total \$14.9 million. This represents a decrease of \$448,043 or about 2.9% from the 2004 adopted budget.

- **Tarmann Fund** revenue of \$350,000 for a Stewardship grant is budgeted as Intergovernmental Assistance.
- **Materials Recycling Facility** revenue from merchandise sales decreases \$126,300 to \$630,000.

Debt Financing:

The 2005 budget includes borrowing of \$14.4 million to finance a portion of 2005 capital projects. This represents an increase of \$400,000 in the level of borrowing from the 2004 adopted budget.

Appropriated Fund Balance:

To reduce the 2004 tax levy (for 2005 budget purposes), the budget includes fund balance appropriations of \$13,707,986, for one-time projects or expenditures. This includes \$7,852,986 for the operating budget and \$5,855,000 for the Capital Projects budget.

Capital budget appropriations of fund balance include: \$3 million of General Fund balance; \$1.25 million of Capital Projects fund balance; \$800,000 of Land Records fund balance; \$425,000 of Golf Course fund balance; \$195,000 of Records Management fund balance; \$135,000 of Central Fleet fund balance; and \$50,000 of End User Technology Fund balance;

Operating budget fund balance appropriations, mainly for one time expenditure items, includes: \$1,150,000 related to **Debt Service** (of which \$500,000 is prior year jail assessment revenue, \$300,000 is designated 2004 [prior year] investment income, and \$350,000 is Debt Service fund balance); \$650,000 of **Materials Recycling Facility** fund balance; \$625,000 of Tarmann Fund balance and \$75,000 of Golf Course Fund balance for parkland acquisitions in the **Tarmann Fund**; \$455,650 of **Human Services** Fund balance; \$200,000 of **Human Services-Long Term Care** Fund balance; \$477,610 of General Fund balance for **Emergency Preparedness-Comm. Center** one-time start up costs; \$444,309 of **End User Technology Fund** balance; \$153,420 (to reduce taxes) for 2004 Tax Incremental District receipts from dissolved TIF's; \$237,200 of General Fund balance for **Non-Departmental General**; \$1,000,000 of General Fund balance for the **Contingency** fund; \$95,000 for prior year start up cost repayments to reduce the tax levy and \$44,275 for depreciation and software maintenance costs from the **Collections Fund**, \$314,212 for **Radio Services** to fund depreciation expense and general fund loan repayment of interest, \$401,448 for **Risk Management**; \$101,083 for **Central Fleet**; \$278,780 of Material Recycling Facility (prior year interest income) Fund balance to be used for **Parks and Land Use-General** recycling & solid waste activities; \$193,977 for **Airport**; \$99,528 for **Child Support**; \$394,100 for **Sheriff** one-time expenditures in the Justice Expansion, \$13,419 of General Fund balance representing Federal Seized Asset Forfeiture **Sheriff** revenue received in prior years; \$256,000 of General Fund balance and \$95,500 of Collections Fund balance for **Public Works** facility projects; \$91,000 General Fund balance for **Parks and Land Use** Land Recycling program and one-time items, and \$6,475 for **Senior Services-Nutrition**.

Tax Levy and Property Assessed Valuation:

The overall 2004 tax levy (for 2005 budget purposes) is \$87,661,217, which represents an increase of \$3,339,552 or 3.96% from the 2004 adopted budget. The total tax levy consists of general County purpose tax levy of \$84,919,831, a \$3,367,353 or 4.1% increase from the 2004 adopted budget, and the Federated Library tax levy of \$2,741,386, a decrease of \$27,801 or 1.00% from the 2004 adopted budget.

The tax levy rate for the general County portion of the budget is \$2.1101 per \$1,000 of equalized value, a decrease of \$0.0993 or 4.50%. The tax levy rate for the Federated Library System is \$0.2354 per \$1,000 of equalized value, a decrease of \$0.0275 or 10.4%.

The County's equalized property valuation (excluding Tax Incremental Financing Districts) as determined by the Wisconsin Department of Revenue is at \$40,244,065,050, an increase of more than \$3.33 billion or 9.03% from the previous year.

2005 Executive Proposed Budget

BUDGETED POSITIONS 2003-2005

SUMMARY BY AGENCY AND FUND

*****BUDGETED POSITIONS ONLY*****

FUNCTIONAL AREAS:	2003 Year End	2004 Adopted Budget	2004 Modified Budget	2005 Budget	04-05 Change
Justice And Public Safety	473.85	492.10	492.10	515.99	23.89
Health And Human Services	424.83	430.17	430.04	429.03	(1.01)
Parks, Env, Educ And Land Use	153.75	153.00	153.00	153.00	0.00
Public Works	163.50	162.50	162.50	160.75	(1.75)
General Administration	118.55	117.75	117.75	117.80	0.05
Non-Departmental	10.00	10.00	10.00	10.00	0.00
Total Regular Positions County-Wide	1,344.48	1,365.52	1,365.39	1,386.57	21.18
Temporary Extra Help	125.78	118.91	118.91	121.52	2.61
Overtime	26.71	23.64	23.64	24.13	0.49
Total Position Equivalents County-Wide	1,496.97	1,508.07	1,507.94	1,532.22	24.28

SIGNIFICANT CHANGES FOR 2005:

Budget funded position equivalents increase by a net 24.28 FTE (including positions impacts from the Communication Center created in 2003 by Enrolled Ordinance 158-019) for 2005 including temporary extra help and overtime.

In total, the 2005 budget includes funding for 11.44 FTE net new regular full time positions after abolishments of funded (2004) positions, funds an additional 12.75 FTE for 25 positions created with enrolled ordinance 158-019 and 1.50 FTE for three positions unfunded in previous years; decreases 0.51 FTE regular part time positions; unfunds 2.00 FTE regular full time positions; abolish 2.00 FTE positions based on prior ordinance actions; increases temporary extra help positions 2.61 FTE; increases overtime by 0.49 FTE.

In addition, separate position actions modifying the 2004 Adopted Budget occurred outside the annual position request process, which is part of the budget cycle, and includes the following changes:

<u>2004 Change (FTE)</u>	<u>Department</u>	<u>Budget Action/Position</u>	<u>Ordinance #</u>
<u>SENIOR SERVICES</u>			
(0.50)	Nutrition Fund	Abolish/Sunset 0.50 FTE Senior Services Aide	
<u>HEALTH & HUMAN SERVICES</u>			
(0.63)	Human Svc. Fund	Abolish 0.63 FTE Psychiatrist	159-037
1.00	Human Svc. Fund	Create 1.00 FTE Psychiatrist	159-037

For additional information, see the "Budgeted Position Summary" included for each functional area.

2005 Executive Proposed Budget

DECISION MAKING CRITERIA FOR NEW POSITIONS

County government has an obligation to meet the needs of its citizens in a fiscally prudent manner. One of the largest costs of government is personnel cost. Unlike capital projects that are paid for in a set period of time, position costs continue each year as long as the position exists. Therefore, before new positions are authorized, a careful review of the justification of these requests is warranted. In reviewing these requests, the following types of questions are asked.

1. Does the reason a position is being requested support the strategic plan for the County and the department?
2. Can the work be accomplished in any other way?
3. Does the proposed position improve customer service?
4. Does the proposed position provide direct services as opposed to administrative support, supervision, or management?
5. Will the proposed position allow the department to increase revenues or decrease expenditures beyond the cost of the position?
6. Does the proposed position provide preventative services that will lead to cost avoidance of more expensive services in the future?
7. Is there outside (non-county tax levy) funding available for the proposed position, i.e. state/federal grants?
8. Can the position costs be offset by eliminating or reducing a lower priority function?
9. Can the proposed position be justified as an investment with future benefits to the County greater than the cost of the position?
10. Has the organization been reviewed for efficiency? Is the organization a re-engineering candidate?
11. What will be the effect if the proposed position is not created?

2005 Executive Proposed Budget

FUNCTIONAL AREA SUMMARY BY FUND TYPE

2005 BUDGET

EXPENDITURES	GENERAL FUND (a)	SPECIAL REVENUE	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
JUSTICE & PUBLIC SAFETY	\$44,565,256	\$0	\$1,208,450	\$0	\$0	\$12,690,000	\$58,463,706
HEALTH & HUMAN SERVICES	\$5,613,133	\$89,469,728	\$0	\$0	\$0	\$0	\$95,082,861
PARKS, ENV., EDUC., LAND USE	\$13,420,106	\$5,916,414	\$6,175,942	\$0	\$0	\$2,772,500	\$28,284,962
PUBLIC WORKS	\$9,138,476	\$9,054,952	\$1,030,762	\$4,829,641	\$0	\$12,550,000	\$36,603,831
GENERAL ADMINISTRATION (b)	\$14,004,986	\$0	\$0	\$7,956,935	\$12,086,251	\$1,715,000	\$35,763,172
TOTAL EXPENDITURES	\$86,741,957	\$104,441,094	\$8,415,154	\$12,786,576	\$12,086,251	\$29,727,500	\$254,198,532
REVENUES							
JUSTICE & PUBLIC SAFETY	\$12,445,763	\$0	\$1,101,771	\$0	\$0	\$40,000	\$13,587,534
HEALTH & HUMAN SERVICES	\$2,044,680	\$71,826,090	\$0	\$0	\$0	\$0	\$73,870,770
PARKS, ENV., EDUC., LAND USE	\$7,313,817	\$2,475,028	\$6,235,500	\$0	\$0	\$0	\$16,024,345
PUBLIC WORKS	\$1,457,867	\$7,789,654	\$635,332	\$4,798,010	\$0	\$900,000	\$15,580,863
GENERAL ADMINISTRATION (b)	\$9,890,293	\$0	\$0	\$6,792,429	\$0	\$18,095,000	\$34,777,722
TOTAL REVENUES	\$33,152,420	\$82,090,772	\$7,972,603	\$11,590,439	\$0	\$19,035,000	\$153,841,234
FUND ADJUSTMENTS	\$2,997,029	\$1,461,653	\$1,158,189	\$1,086,115	\$1,150,000	\$5,855,000	\$13,707,986
RETAINED EARNINGS			(\$917,091)	(\$94,814)	\$0		(\$1,011,905)
TAX LEVY	\$50,592,508	\$20,888,669	\$201,453	\$204,836	\$10,936,251	\$4,837,500	\$87,661,217

(a) Includes Contingency Fund.

(b) Includes Non-Departmental.

2005 Executive Proposed Budget

APPROPRIATION UNIT SUMMARY BY FUND TYPE

2005 BUDGET

EXPENDITURES	GENERAL FUND (a)	SPECIAL REVENUE	ENTERPRISE	INTERNAL SERVICE	DEBT	CAPITAL PROJECTS	TOTAL
PERSONNEL COSTS	\$59,958,642	\$30,731,475	\$2,283,058	\$3,454,010	\$0	\$0	\$96,427,185
OPERATING EXPENSES	\$18,794,732	\$66,766,258	\$4,657,063	\$8,889,793	\$0	\$0	\$99,107,846
INTERDEPARTMENTAL CHARGES	\$6,935,723	\$5,408,361	\$1,475,033	\$442,773	\$0	\$0	\$14,261,890
FIXED ASSETS & IMPROVEMENTS	\$1,052,860	\$1,535,000	\$0	\$0	\$0	\$29,727,500	\$32,315,360
DEBT SERVICE	\$0	\$0	\$0	\$0	\$12,086,251	\$0	\$12,086,251
TOTAL EXPENDITURES	\$86,741,957	\$104,441,094	\$8,415,154	\$12,786,576	\$12,086,251	\$29,727,500	\$254,198,532
REVENUES							
INTERGOVT. CONTRACTS/GRANTS	\$6,765,923	\$71,287,882	\$850,000	\$0	\$0	\$4,035,000	\$82,938,805
FINES & LICENSES	\$2,433,505	\$480,000	\$0	\$0	\$0	\$0	\$2,913,505
CHARGES FOR SERVICES	\$12,711,782	\$5,808,396	\$5,523,408	\$267,582	\$0	\$0	\$24,311,168
INTERDEPART. REVENUES	\$3,249,866	\$361,435	\$658,695	\$10,090,938	\$0	\$0	\$14,360,934
OTHER REVENUES	\$7,991,344	\$4,153,059	\$940,500	\$1,231,919	\$0	\$15,000,000	\$29,316,822
TOTAL REVENUES	\$33,152,420	\$82,090,772	\$7,972,603	\$11,590,439	\$0	\$19,035,000	\$153,841,234
FUND ADJUSTMENTS	\$2,997,029	\$1,461,653	\$1,158,189	\$1,086,115	\$1,150,000	\$5,855,000	\$13,707,986
RETAINED EARNINGS			(\$917,091)	(\$94,814)	\$0		(\$1,011,905)
TAX LEVY	\$50,592,508	\$20,888,669	\$201,453	\$204,836	\$10,936,251	\$4,837,500	\$87,661,217

(a) Includes Contingency Fund.

(b) Includes Non-Departmental.

2005 Executive Proposed Budget

FUND DESCRIPTIONS

The following are capsule descriptions of each County fund. To the right of each description are the total 2005 expenditures and property tax levy for that fund.

GENERAL FUND

The General Fund is the largest single County fund. It is the primary operating fund of the County. It accounts for all revenues that are not required to be processed through another fund. Almost two-thirds of General Fund revenue is received from taxes, but it also receives fines, fees, intergovernmental revenues, interest earnings, and other revenues.

TOTAL GENERAL FUND

2005 Expenditure Budget	2005 Tax Levy
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\$86,741,957	\$50,592,508
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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specific purposes.

Human Services Funds (excludes Public Health in General Fund above)

To account for funds needed to provide economic assistance, income maintenance, counseling, state-mandated inpatient and outpatient mental health, alcohol, drug abuse and developmental disability services, children, adolescent and family services.

\$81,436,439	\$16,538,346
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Child Support

To account for federal, state and county funds that provide for administration and support of Child Support programs.

\$2,158,473	\$168,052
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Federated Library Funds

To account for funds provided to maintain a member library system.

\$3,855,893	\$2,741,386
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Elderly Nutrition Fund

To account for federal and state funds that provide for home delivered meals and congregate nutrition programs.

\$1,144,816	\$175,587
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Community Development Block Grant Fund

To account for federal funds to provide to other governmental units or nonprofit organizations to aid low income and other disadvantaged persons.

\$4,730,000	\$0
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Transportation Fund

To account for funds needed to provide all services on the County trunk highway system and selected non-county roads, including planning, designing maintenance and construction and to account for state funds provided on a reimbursement basis for performing maintenance and repair on other projects as specified on all state trunk highways within the County. To account for state, federal and local funds used to provide bus services to selected areas of the County.

\$9,054,952	\$1,265,298
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Walter J. Tarmann Parkland Acquisition Fund

To account for funds provided to acquire parkland and natural areas as identified in the Waukesha County Park and Open Space Plan.

\$1,500,000	\$0
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Land Information Systems Fund

To establish a countywide, integrated approach to linking land parcel locations to digital mapping and databases concerning property information.

\$560,521	\$0
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SPECIAL REVENUE FUND TOTALS

\$104,441,094	\$20,888,669
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2005

2005

2005 Executive Proposed Budget

FUND DESCRIPTIONS

	<u>Expenditure Budget</u>	<u>Tax Levy</u>
INTERNAL SERVICE FUNDS		
Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the County or to other governments on a cost-reimbursement basis.		
End User Technology Fund		
To finance the common technology infrastructure for County users. The fund is managed on a total cost of ownership basis, and is designed to identify the services provided and resources required by the Information Systems staff to support end user departments.	\$3,182,413	\$299,836
Vehicle/Equipment Replacement Fund		
To account for the costs associated with the financing of vehicle/equipment replacements when the individual item's cost equals or exceeds \$7,500 and has a useful life of two or more years. Costs are billed to user departments based on the depreciable life of the asset.	\$1,996,751	\$0
Central Fleet Maintenance Fund		
To account for the costs associated with the maintenance, repairs and centralized fueling of all County-owned motorized equipment. Costs are billed to user departments based on work orders, time and material costs.	\$2,832,890	\$0
Communications Fund		
To account for the costs associated with the operation and maintenance of the County's telecommunication system. Costs are billed to user departments based on actual usage and equipment inventories.	\$767,113	\$0
Records Management Fund		
To account for the costs associated with the operation and maintenance of the County's central microfilming, records management services, contracted central printing and mail room services. Costs are billed to user departments based on time and material costs.	\$1,285,610	\$0
Risk Management Fund		
To account for the costs associated with loss control, the investigation and payment of employee claims, claims administration and the transfer of risk to third parties through purchased insurance coverage. Costs are allocated to other County departments mostly on a claims experience/exposure basis except for special insurance coverages which are charged based on actual costs. This fund also accounts for funds invested in the Wisconsin Municipal Mutual Insurance Company (WMMIC). The County, together with certain other units of government within the State of Wisconsin, created WMMIC to provide general and police professional liability, errors and omissions and vehicle liability coverage for counties or cities in Wisconsin.	\$2,033,748	\$0
Collection Management Fund		
To account for the costs associated with countywide delinquent account collection activity. Costs are allocated to other County departments based on costs of services provided. Negative tax levy reflects payback of Tax Levy provided for startup costs in the early years of operation.	\$688,051	(\$95,000)
INTERNAL SERVICE FUND TOTALS		
	\$12,786,576	\$204,836
	2005	2005

2005 Executive Proposed Budget

FUND DESCRIPTIONS

	<u>Expenditure Budget</u>	<u>Tax Levy</u>
<u>ENTERPRISE FUNDS</u>		
Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered, primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.		
Radio Service Fund To account for operations and maintenance of Countywide radio services, customers are billed on a fee for service basis.	\$1,208,450	\$0
Golf Courses Fund To account for operations and maintenance of the 3 County golf courses.	\$3,228,068	\$0
Ice Arenas Fund To account for operations and maintenance of the 2 County ice arenas.	\$1,070,034	\$0
Airport Operations/Development Fund To account for operations and maintenance of the County airport.	\$1,030,762	\$201,453
Materials Recovery Facility Fund To account for operations and maintenance in the processing and marketing of recyclable materials collected from municipalities within the County program.	\$1,877,840	\$0
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ENTERPRISE FUND TOTALS	\$8,415,154	\$201,453
<u>DEBT SERVICE FUNDS</u>		
Debt service funds are used to account for the accumulation of resources for the payment of general long-term debt principal, interest and services costs. (Excludes debt services budgeted in Internal Service and Enterprise Funds). For further detailed information, see Debt Service, Section VIII.		
TOTAL DEBT SERVICE FUNDS	\$12,086,251	\$10,936,251
<u>CAPITAL PROJECTS FUNDS</u>		
All Capital project funds used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Governmental Fund projects total \$28,122,500 and Proprietary Fund Capital projects total \$1,605,000 included here but not shown above as Enterprise Operations.		
TOTAL CAPITAL PROJECTS FUNDS	\$29,727,500	\$4,837,500
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TOTAL ALL FUNDS	\$254,198,532	\$87,661,217
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